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STRONG REICH WALL STOPS BRITISH PUSH IN S.W. CAEN SECTOR

Attack by U.S. Forces in St. Lo Area Also Beaten Back With Heavy Losses

Domei

BERLIN, July 16.—Southwest of Caen, the British troops, last night, launched their expected offensive against the German positions on Hill 112 located northeast of Esquay as well as adjacent sectors after several hours of artillery preparation by numerous land batteries and guns of large battleships.

Powerful searchlights of enemy warships employed to aid the operations on land greatly benefitted the German defenders who directed their fire against the vividly outlined enemy tanks and infantry formations.

Several hours of embittered fighting ensued, in the course of which, the enemy's frontal attacks against the height positions were smashed with severe casualties to the attackers, but the German defenders were unable to prevent the enemy's outflanking movements. The British forces temporarily reached the northern outskirts of Esquay where they encountered savage opposition from the German reserves and were stopped. A greater part of the assault units were annihilated while the remnants took to their heels as German automatic weapons and heavy howitzer batteries shelled their retreat.

By early morning, today, the entire main battlefield in the offensive sector was again firmly in German hands and during mopping-up operations on the forefield numerous British troops were captured.

Meanwhile, in the American sector of the Normandy front, all attempts to force a decisive breakthrough with strong reinforcements broke down north of St. Lo. After 12 of their tanks were blasted, they temporarily suspended further attacks. Since, however, the Americans during the past 24 hours had created literally one huge barrage in the entire sector between La Barre de Semlly and Pont Hebert while new mass attacks on St. Lo are expected shortly.

Fierce fighting also developed southwest of the Andre area where, south of Villers Fossard, the Americans succeeded in making a local wedge which, however, was soon blocked off by the Germans.

Further west, the Americans repeatedly, but vainly, tried to take the German barrage position at Pont Hebert. All American attempts to gain ground toward the south were foiled.

New Drive Expected

The long lull in the fighting in the sector occupied by the British 2nd army allows the conclusion that the enemy is making preparations for a large-scale attack. In the meantime, the British are carrying out loudspeaker propaganda on a large scale asking the German soldiers to desert.

In the sector held by the American 1st army, regrouping is also going on. To get an idea of the enemy artillery fire to which the German soldiers have been subjected, one must keep in mind that the Americans at St. Lo fired 45,000 charges of heavy and medium artillery including 8,000 phosphorus bombs within 24 hours. In another neighboring area, 30,000 charges of all calibers were showered on the German positions at the same time. These bombardments, however, did not help the Americans gain ground worth mentioning. East of St. Lo the Americans made use of another criminal war method. Soldiers, carrying stretchers and waving Red Cross flags, approached the German lines and in the vicinity of the German positions and suddenly opened fire.

Bonomi Sees Pope

Domei

LISBON, July 16.—Premier Ivanoe Bonomi of the exile Italian Government was granted a 40-minute private audience by Pope Pius XII today and subsequently conferred with Cardinal Luigi Maglione, Secretary of the Vatican, according to a Vatican City report..

23 Downed at Vienna

Domei

BERLIN, July 16.—An American bomber unit raided the Vienna area this morning but it was met in battle by a German air defense unit which shot down 23 of the American aircraft. Many other American planes were unable to return to their home base in Italy owing to the damage sustained in the combat.

Uprising Expected Of French by Foes On July 14 in Vain

Special to the Nippon Times

BERLIN, July 16.—The hopes of the enemy about help from the French population after the invasion have been entirely in vain. La Bastille, the French National holiday, on July 14, on which the anti-Axis expected to enter Paris, has passed, but to the disappointment of the Americans, the French people did not rise in revolt as they said. The day passed quietly.

GERMANS RESISTING SOVIET OFFENSIVES

Holding Positions in Sectors South of Central Front Against Strong Pressure

[Map on Page 2]

Domei

BERLIN, July 16.—While in the central sector of the Eastern Front German detaching movements are carried out according to premeditated plans of the German command, German division fighting south of this area are still holding their positions despite strong enemy pressure, according to latest frontline dispatches.

In the district northeast of Tarnopol and west of Lutsk, the Soviets threw numerous fresh rifle divisions and tank formations into the battle, but again the Germans achieved a full defensive success.

Although the fighting in this sector was featured with concentrated fire of heavy and light arms particularly from new trench-mortar batteries, the battle temporarily slackened in intensity toward evening. Altogether, 12 Soviet tanks were destroyed at Tarnopol and 20 more at Lutsk, while insignificant local dents were ironed-out in counter-thrusts. Soviet casualty toll was again extremely high.

In the central sector, in accordance with the disengagement operations, the German fighting group in the Grodno area evacuated the town of Grodno last night. The Soviets who as previously reported had brought up reinforcements renewed their attacks on the town yesterday evening from the north on the western bank of the Niemen where heavy fighting developed. After the German movements south and north of the town had been systematically carried out, the German rear guards also left the town. Embittered fighting is still in progress there.

Also in the central sector west of Baranovichi in the Volkovisk area, Red Army forces attempted to advance westwards on both sides of the Volkovisk-Bialystok road with strong tank and infantry formations, but were repulsed with heavy losses.

North of this sector, the Soviets in two rifle division strength supported by tanks attacked the town of Olita. After several hours of fighting the German troops evacuated the town to new positions to the west.

In the lake district south of Dvina, the German repulsed numerous Soviet attacks which were carried out to force a break-through between Dvinsk and Rossiten. In the fighting there, the Germans destroyed 43 Soviet tanks and repulsed all attacks.

After the developments of the last 24 hours, pronounced focal points on the Eastern Front have been formed on both extreme wings of the middle sector.

The northern focal point is now situated in the Dvinsk area and on the Nevel-Opotschka road where the fighting is developing according to German plans to make best use of the fighting terrain strewn with lakes and waterways around Dvinsk and attain the greatest attrition of the Red Army with the employment of relatively small forces. In fact the Soviet losses have been especially great on their left wing of attack. In one front alone 1,200 dead Soviet soldiers were counted on the battlefield. In the Opotschka area, the Germans have concentrated numerous heavy defense weapons to check the expected Soviet attacks there.

The new Soviet offensive on the southern wind brought high material losses to the attacks already on the first day. The number of Soviet tanks destroyed has increased to 127 according to the latest reports.

Soviets Take Grodno

Domei

STOCKHOLM, July 16.—The capure of Grodno was announced by Stalin's headquarters tonight, according to a Moscow report.

CHUNGKING CHARGES RIDICULED AS TRICK BY OUR SPOKESMAN

Enemy Trying to Divert Attention From Defeats, Declares Okazaki

Chungking allegations that low-flying Japanese planes, in night raids on Hengyang on July 15, carried Chungking markings were ridiculed by Katsuo Okazaki, Acting Spokesman of the Board of Information, as "utterly groundless, of course," at his foreign press conference on Monday. Mr. Okazaki said that it was a trick similar to the propaganda that the Japanese had used poison gas and that "most probably some Chungking commanders who suffered heavy losses through the devastating action of the Japanese planes have tried to excuse themselves with such allegations."

Mr. Okazaki found a parallel in the action of the British Government which attempted to divert public opinion against it for its impotency in finding adequate measures to prevent the hail of the German flying bombs by alleging that the new German weapon was made in Spain. Both Chungking and Britain, Mr. Okazaki pointed out, are resorting to such efforts to divert public opinon because they cannot find effective counter-measures against the situation in which they find themselves.

Great Sensation Caused

Touching on the recent article by Drew Pearson in his syndicated column, Washington Merry-Go-Round, on conditions in Chungking, Mr. Okazaki said that a great sensation had been caused and that the Chungking authorities had taken the matter up with Elmer Davis, chief of the United States Office of War Information, who rejected the protest and said that they had better lodge a protest with the United States Embassy in Chungking.

Pearson's article, among other things, revealed that millions of Chinese had never heard of Chiang Kai-shek, that many consider Mrs. Chiang as an American upstart, that American newspapermen in Chungking are virtual prisoners and under strict censorship, that relations between the United States and Chungking are bad and that United States Ambassador Clarence Gauss was not received by Chiang because the latter was "busy."

Mr. Okazaki also stated that Pearson also published very many stories about Mrs. Chiang "which I had better not tell you" because they "are such that no gentleman can reveal." Mr. Okazaki remarked that these stories might be connected with the nervous breakdown Mrs. Chiang is said to be suffering from and to cure which she has arrived in Rio de Janeiro.

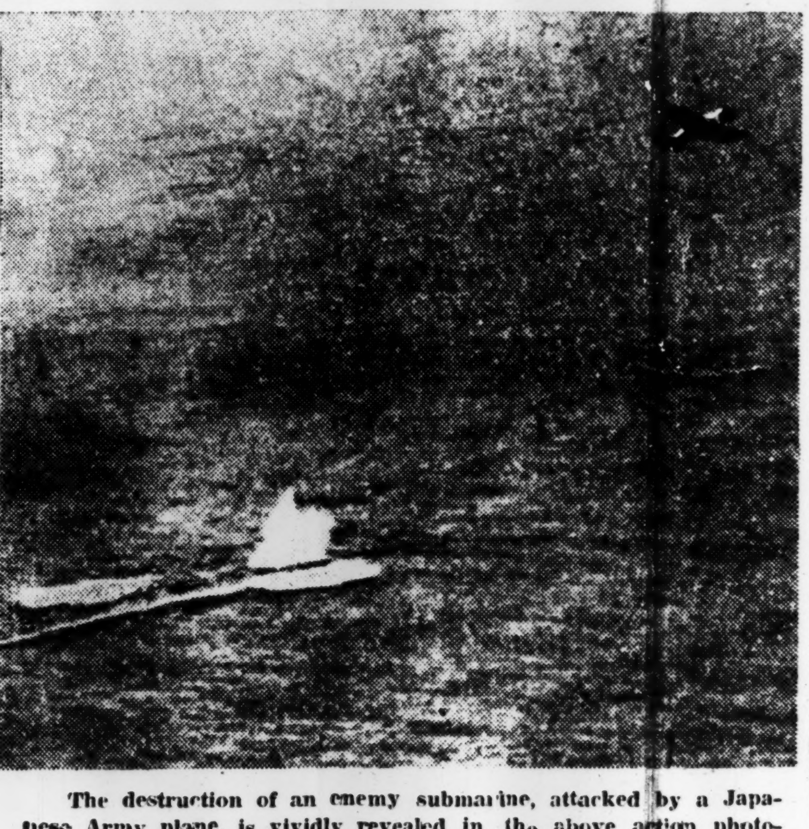
Roosevelt's Chances Dubious

Commenting on an article by Arthur Krock that it was becoming rather dubious whether President Franklin Roosevelt would win or not in the coming elections and that Thomas Dewey's chances were considered growing, Mr. Okazaki said that "from our point of view the election of a new president, whether he be a Democrat or a Republican, will have very little to do with the present war" and that "it is no concern of ours which side wins."

The recent visit to the United States of General Charles de Gaulle, head of the French Committee of National Liberation, was labelled as a "failure" by Mr. Okazaki, who said that it seemed almost certain now that De Gaulle's committee would not be recognized by the United States or Britain as the provisional government of the French people. He said that it would probably be recognized as a committee and be given an advisory position.

Mr. Okazaki said that the British authorities were reluctant to express any definite opinion even on the "rather moderate proposal" made by Mahatma Gandhi to the British, the main point of which was the formation of a national government responsible to the elected members of the Central Assembly. Also on July 13, Leopold Amery, British Secretary of State for India, insisted in the House of Commons that the cost of Indian defense would be met by Indian revenue. He declared that the expenses incurred by the fighting in Manipur, Assam and northern Burma should be borne by Indian money. Mr. Okazaki observed that "this will further burden the already difficult financial condition of the Indian people."

Japanese Bomb Hits Mark



The destruction of an enemy submarine, attacked by a Japanese Army plane, is vividly revealed in the above action photograph, caught by the camera of another Army pilot who happened to be on the scene. The white at extreme left marks the spot hit by the first bomb, the foam to the right, the second missile, while the sprays shooting upward discloses the direct hit that sent the undersea raider to its doom. (Passed by the War Mintstry)

Lavish Use of Materials by Enemy Typically Seen in Saipan Campaign

Huge Task Force of 16 Battleships, 25 Cruisers, 300 Destroyers, More Than 20 Carriers Mobilized for Attack on Japanese Island Position

By M. TAKAMORO
Of the Military Press Corps

ABOARD A WARSHIP.—The lavish scale on which the Americans are flinging men and materials at their objectives has been most typically manifested in their Saipan campaign.

Saipan Island in the Marianas which had been fostered by Japan for 24 years has now been invaded by the brutal Yanks. The time has now come for the 100,000,000 people of Japan to put forth every ounce of their combined strength to take vengeance on the leering vandals. In order to smash the enemy as he comes attacking in all his self-conceit, it is necessary to have a thorough grasp of the method of warfare of the Americans.

The recent enemy naval strength was believed to consist of four battleships of the 45,000-ton class, the Iowa, New Jersey, Missouri and Wisconsin, several battleships of the 35,000-ton South Dakota class (six of which had been built but some of them have been sunk by us) and old battleships which survived Pearl Harbor, numbering 16 to 17 battleships in all; about 25 cruisers including the super-heavy cruiser Alaska, 25,000 tons, which is believed already to be in service; more than 300 destroyers and scores of submarines operating in the Pacific. In addition, it was believed that the enemy had ten regular aircraft-carriers, which was the mainstay of the task force attacking Saipan, and ten or so aircraft-carriers of the 13,000-ton class converted from heavy cruisers, scores of aircraft-carriers converted from steamships for the transportation of aircraft and scores more of aircraft-carriers for convoying transports.

Fleet Hurriedly Assembled

The enemy attacked the Marianas after careful reconnaissance with almost the entire strength of this huge fleet. This fleet had been built up hurriedly since the outbreak of the War of Greater East Asia by mobilizing the vast shipbuilding capacity of the United States. Deriving valuable lessons from the series of naval defeats suffered at Japanese hands, the Americans have gone to the extreme in extending the fire-power of their anti-aircraft guns and imparting super-speeds of 35 knots or more. They have also increased the firing speed of the main armament in order to carry the day by sheer volume of shells hurled at the enemy. This has become clear from the battles that have been recently fought with them.

Depending on the high speed of their warships and increased fire-power of their guns, they have come attacking with regular aircraft-carriers which can carry the maximum number of aircraft and aircraft-carriers converted from heavy cruisers which carry fighter planes almost exclusively. Four groups of aircraft-carriers were included in the task force which arrived in waters near Saipan on July 11. They were believed to number 15 vessels, including regulars and converted ones. Many of the regulars bore the same names as those sunk by the Japanese.

In order to accommodate this enormous number of planes the enemy seems to have resorted to collapsible wings for his carrier-borne planes and effected renovations in sheltering methods. At any rate there were nearly 800 planes aboard the regular carriers and as re-constructed carriers could carry 25 to 30 planes each the total air strength would aggregate a powerful force of about 1,000 planes.

The enemy, with his main strength concentrated in fighter planes, challenged on July 11 our air unit that went out to meet the attack. Sending out wave after wave of fighter formations, the enemy sought to weaken the attacking power of our air units.

Our Planes' Courage

In face of such persistent attacks, although one of our planes would grapple courageously with ten to twenty enemy planes, fuel and bullets would be exhausted in the end. The only choice left for our planes would be to self-blast themselves against the enemy.

Thus on July 12 and 13 large bomber formations came attacking our positions. On the 12th the aggregate number of enemy planes doubtlessly totalled 600 to 700. Moreover, at about 1 p.m. a part of the enemy fleet approached Saipan and bombarded the island. During this air attack, a portion of the enemy's task force had advanced to about 100 kilometers from Saipan. It seems that this task force assumed the work of directing damaged planes back to the mother ships or sheltering those unable to return to their bases.

On July 14 the enemy seems to have reinforced his lost planes from special carriers of another group. New type warships of the South Dakota type and several old type warships made their appearance in the waters near Saipan. Our scouts confirmed the appearance of an enemy fleet of several cruisers, about 20 destroyers and approximately 30 transports.

Enemy Attempts Landing

At daybreak of June 15 the enemy attempted landing, using approximately 170 large and small landing barges sent out from transports. Toward that time a part of the enemy task force raided Chichijima in the Ogasawara Group and the Yiojima Islands with the intention of destroying Japanese air bases. In the meanwhile, the Japanese Forces on these islands, in close cooperation with the Japanese Air Units and the Submarine Squadron, steadily gained brilliant war results. However, the enemy, despite tremendous losses, eventually managed to land on one corner of Saipan Island.

On the occasion of the sea battle fought on June 19 and 20, it was presumed that the anti-Axis forces had some 15 regular and converted aircraft-carriers with about 1,000 planes aboard in the western waters of the Marianas. However, it is indisputable that the sinking or damaging by the Japanese of over five aircraft-carriers in the above battle, coupled with the similar loss of over four carriers before June 18, considerably lowered the enemy's fighting power. Despite such staggering blows, the enemy tenaciously cruised round the neighboring seas of the Marianas and succeeded in gaining air bases. From that time on, the enemy task force, in separate groups, has bombed Omiyajima (Guam) and the Ogasawara Islands, and is attempting to obstruct the Japanese advance. Thus, the enemy has temporarily achieved his objective, but the Japanese are looking for a chance of smashing the anti-Axis forces.

ADMIRAL N. NOMURA INSTALLED MONDAY AS NEW NAVY CHIEF

Ceremony Held Within Palace At 5 P.M.—Shimada Relieved at Own Request

In the presence of His Majesty the Emperor, Admiral Naokuni Nomura, Commander-in-Chief of the Kure Naval Station, was installed as Navy Minister at a ceremony within the Imperial Palace at 5 p.m. on Monday, according to an announcement by the Board of Information, simultaneously issued.

Navy Minister Admiral Shigetaro Shimada, the announcement also disclosed, was relieved of his post at his own request.

The announcement of the Board of Information follows:

"The ceremony for installing Admiral Naokuni Nomura, holder of the Senior Grade of the Fourth Court Rank, the First Class Order of Merit, and the Third Class Order of the Golden Kite, as Minister of the Navy took place at 5 p.m. on July 17.

"Admiral Shigetaro Shimada, Minister of the Navy, was relieved of his post at his own request. Admiral Shimada was accorded special treatment due to his former position and rank."

His Majesty, the Emperor was gracious enough to hold the ceremony for installing Admiral Naokuni Nomura as Minister of the Navy in the Imperial Palace at 5 p.m. on Monday.

Admiral Nomura at 4:30 p.m. the same day proceeded to the Imperial Palace and was received in audience by His Imperial Majesty in the Phoenix Hall at 5 p.m. attended by Prime Minister Hideki Tojo.

It is with awe to describe that His Imperial Majesty commanded Admiral Nomura to assume the portfolio of the Navy and then conferred a gracious Message on the Admiral.

An Imperial writ of appointment as Minister of the Navy was then handed to Admiral Nomura through Prime Minister Tojo. This closed the installation ceremony.

The new Navy Minister Admiral Naokuni Nomura hails from Kagoshima Prefecture and is 59 years old. He was graduated from the Naval Academy in 1908. His subsequent career in the Navy has been featured with the assumption of many key positions.

After serving as a naval attache to the Japanese Embassy in Berlin, he studied at the Naval Staff College. Later, he was appointed commander of the warships Haguro and Kaga. Then he was appointed director of the Submarine School. He also hold the post as commander of the Second Submarine Squadron.

Admiral Nomura was then made chief-of-staff of the Combined Fleet. After serving this important post for some time, he was appointed Chief of the Third Department of the Naval General Staff Office.

He served as naval attache to the Embassy in China. In October 1939, he was appointed Commander-in-Chief of the Japanese Fleet in North China. Later, Admiral Nomura toured Europe.

On his return home in August, 1943, Admiral Nomura was admitted into the Supreme War Council as its member and in October of the same year was appointed Commander-in-Chief of the Kure Naval Station. It was in March this year that he was promoted to a full admiral in line with Admiral Shiro Takasu.

Visit Bulgarian Council

Domei

BUDABEST, July 16.—Premier Ivan Bagrianoff, Perven Draganoff, Foreign Minister, and Professor Alexander Stanisheff, Interior Minister, were received by the Bulgarian Regency Council today, according to a Sofia dispatch.

New Navy Minister

Admiral Naokuni Nomura

JAPANESE PIERCE HENGYANG WALLS

Successful Storming of City's Southern Defenses Admitted By Chungking

Domei

LISBON, July 17.—A part of the Japanese Forces has penetrated into the walled town of Hengyang, Chungking military authorities admitted last night in their war communique, according to a Chungking dispatch. The communique follows:

"On the Hunan Front, the Japanese, on the night of July 13, launched a vigorous attack against the southern outer defense position at Hengyang and part of the Japanese Forces surged into the walled town. At about noon, on July 14, a large number of reinforcements equipped with heavy and light machine-guns were received by the Japanese who, on the night of the same day, commenced a heavy attack against the entire defense line of Hengyang. Chungking artillery and infantry formations offered desperate resistance and severe fighting continued all night.

"Japanese artillery, on July 15, bombarded Hengyang and under this cover Japanese infantry launched storming attacks against the entire defense line of Hengyang. The onslaught against the southwestern outer defense position of the walled town was particularly intense.

"On the Kwangtung Front the Japanese Forces that had advanced northward along the western side on the Canton-Hankow Railway made a forced crossing of the Lien River, a tributary of the Pei River, and are engaged in a fierce battle with the Chungking troops on the northern bank of the river.

"Northwest of Chingyuan, fighting is also continuing to rage."

Kweilin Evacuation Ordered

Domei

LISBON, July 16.—Anticipating a Japanese thrust toward Kweilin in conjuction with operations in the sectors of Hunan and Kwangtung, Chungking authorities have ordered the evacuation of Kweilin railway junction on the Canton-Hankow line, and industrialists and businessmen have been instructed as far as possible to shift their enterprises farther into the hinterland and destroy all important installations that they were compelled to leave behind, according to a Reuter dispatch from Chungking.

It is reported that the authorities have appropriated only 300,000 yuan for assisting the evacuation of the civilian population.

In the meantime an A.P. correspondent gives the following account of conditions in Liuchow, an important point to the south of Kweilin.

"The military authorities in Liuchow, which is an important communication center in Kwangsi Province, have issued orders to all the residents of the city to leave for safety.

"They say that the step was taken because the city might be air raided or attacked by parachute units. The true motive must have been the dread of para-troop attacks against places separated a great distance from the firing front.

"The women and children were the first to evacuate the city. They began to leave on July 17. They are to be followed by the employes of banks, other public institutions and government offices followed by the other residents of the city.

"After the evacuation the only people left will be the volunteers called by the municipality and those concerned in the maintenance of defense equipment in addition to the troops."

Mantil Killed in Attack

Domei

VICHY, July 14.—The French authorities announced, on July 14, the death of Georges Mantil, former French Minister of the Interior, following an attack by ruffians while he was being transferred to the Sante Prison in Paris.

OVER 1,460 AIRCRAFT OF ENEMY SMASHED BY NIPPON AIR ARMS

11 B-29's Included in Enemy Losses During June, Imperial Headquarters Announces

Imperial Japanese Army and Navy Air Forces shot down, damaged or set ablaze a total of more than 1,460 anti-Axis planes, including 11 B-29's, during the month of June in their offensive and intercepting operations in the various war zones extending from south to north, the Imperial Headquarters announced in its communique issued at 3:30 p.m. on Monday.

In the same period, the losses on the Japanese side were 369 planes, of which, 27 were damaged on the ground, and the rest either self-blasted or failed to return, the Imperial Headquarters also disclosed.

The communique follows:

IMPERIAL HEADQUARTERS' COMMUNIQUE
3:30 p.m. July 17

"The composite war results obtained by the Imperial Japanese Army and Navy Air Units during the month of June in their offensive and intercepting operations against the enemy air forces follow:

"1. Losses Dealt to the Enemy:
North Kyushu—
Shot down ... Seven B-29 planes
Damaged ... Three B-29 planes
South Pacific Area—
Shot down .... 165 planes
Damaged or set ablaze .... 125 planes
Central Pacific Area—
Shot down More than 897 planes
Damaged .... 40 planes
China Area—
Shot down .... 81 planes
Damaged or set ablaze .... 110 planes (Incl. one B-29)
Burma Area—
Shot down .... 24 planes
Damaged .... Seven planes
North Pacific Area—
Damaged .... One plane

Total .... More than 1,460 planes (Including 11 B-29's)

"2. Losses on Our Side:
Self-blasted or not yet returned ... 342 planes
Damaged on ground 27 planes

Total .... 369 planes."

Along the entire firing line of the vast war theater, over land and sea, the Air Units of the Imperial Japanese Army and Navy have been exerting their all-out efforts to smash the anti-Axis air strength, at the same time making tremendous contributions toward the favorable development of the land operations with their close cooperation.

As announced by the Imperial Headquarters, on Monday, the Army and Navy Air Units, in their daring offensive and intercepting operations during June obtained brilliant war results in their relentless assaults on the enemy air bases, shooting down, damaging or setting ablaze a total of more than 1,460 enemy aircraft, including 11 B-29's, the vaunted U.S. long distance bombers.

As compared with figures for May, the number of enemy planes that came attacking in June decreased by about 700 but the losses inflicted on the enemy by the Japanese air arms showed a great increase. In May, the enemy lost a total of 906 planes which were downed, damaged or set ablaze, whereas, in June their loss figures soared to an aggregate total of more than 1,460 planes.

It is worthy of note that the B-29 planes usually fell easy victims to the Japanese Air Forces in June as is proven in their abortive air raid over North Kyushu with 20-odd planes on June 16 when they were beaten off after losing 10 planes.

Another fact that merits attention is the fact that the number of anti-Axis aircraft that came over the South Pacific area decreased by more than 6,000 in June. As against the figure for May of 18,595 planes, the June total dropped to 11,835 planes.

Following are detailed figures of anti-Axis planes that came attacking the various war fronts during May and June:

	May	June
Kyushu Area	0	Over 20
Northern Area	79	89
China Continent	778	1,946
French Indo-China ...	127	114
Thailand	54	57
Burma Area	10,686	3,868
Central Pacific Area ..	2,445	14,313
Bougainville Is.	4,672	900
Bismarck Group	3,138	2,781
New Guinea Is.	10,067	[illegible]
Banda Sea	718	813
Total	32,784	32,043

ANALYSIS IS MADE OF GANDHI'S PLAN

Makes National Government Responsible to Legislature Unlike Cripps Proposals

Unlike the Cripps plan, the new plan proposed by Mahatma Gandhi for the independence of India on July 13 provided that the Indian National Government should be responsible, not to the Viceroy, but to the Central Legislature, according to a Domei digest of the Gandhi proposal.

The framework of the plan is formed of the following:

(1) An Indian National Government should be established such as will be responsible only to the elected members of the Legislature;

(2) Military affairs should be entrusted solely to the Commander-in-Chief of the Army and the National Government should cooperate with him; and

(3) Complete independence should be granted India at once after the war.

In British circles the proposal is rejected on the ground that it would be difficult to separate military affairs from government. The Mahatma's plan differs from the Cripps plan on (1) and (2). Whereas the Cripps plan would make the National Government responsible to the Viceroy, the Gandhi plan provides that it should be responsible only to the constituent Central Legislature and will not be responsible to members appointed by the Viceroy. Thus the Viceroy will not be able to change the Government at will or directly interfere in its policies. Under the Gandhi plan, it is quite likely that all the Cabinet members will be Indians.

Second Difference

In the second place, the Cripps plan stressed that the Defense Minister should be an Englishman, while Gandhi stated that the Defense Minister, without directly taking part in military affairs, will have to cooperate with the army in the capacity of the Minister of Munitions Supplies. Of the aforestated differences, the first one is the most important because if Gandhi's plans were accepted, the status of the Viceroy of India would be lowered down to that equal to the status of high commissioner in various autonomous territories, thus depriving him of the right of rejecting bills and of altering the government. Consequently, a careful analysis of the new proposals, which outwardly look very proper, even looking a fairly yielded compromising plan from Gandhi, reveals that they fundamentally contain extremely autonomous and resolute points. And it can be presumed that the new proposals have been made out of the prudence and foresight of Gandhi who intends to steadily march on step by step toward the completion of Indian independence. Such being the case, it is not difficult to imagine that Britain, on one pretext or another, will keep on refusing the acceptance of Gandhi's proposals.

Underlying Britain's negative attitude are:

(1) Absolute distrust of Gandhi's statement that "The National Government would cooperate with the Army."

(2) As Gandhi still firmly maintains that he cannot cooperate with Britain's imperialistic actions, collaboration of the national government would be confined within the limits of Britain's non-aggressive acts. Therefore, there remains no hopes for forced mobilization of Indian soldiers or organization of Indian Expeditionary Forces.

(3) A similar situation would prevail in war essential production. Britain, therefore, has assumed a very wary attitude toward Gandhi's peaceful advance within India in the same manner as against the armed advance of Subhas Chandra Bose in Burma.

URGES BAN ON AIR WARFARE

British M.P. Declares Flying Bombs Are Diabolical Weapons

Domei

GENEVA, July 13.—Rev. R.W. Sorensen, Labor member of the British Parliament in a letter to the Daily Herald asks for complete abolition of aerial warfare. The flying bombs, Sorensen writes, are in fact diabolical weapons. The Daily Herald, he states, should be reminded of the report that after some Anglo-American air-raids against Frankfort-on-Main in November, 1943, "the crew did not see anything of the town and, therefore, dropped their bombs at random."

Sorensen likewise recalled the statement of British Air Secretary, Sir Archibald Sinclair, of March 31, 1943, saying "in night raids against military targets, the entire area in which the targets are situated must forcibly be subjected to attacks." Churchill, himself however, surpassed by far all these statements on September 21, 1943, by saying "in outrages we are prepared to do anything."

Press Comments

Monday, July 17

CONCLUSION OF ANTI-AXIS MONETARY CONFERENCE

ASAHI—The Anglo-American monetary conference which has as its agenda the establishment of their so-called international currency stabilization fund and an international recovery and development bank has been in session at Bretton Woods since July 1. In connection with this conference, there exist some differences of opinion within America herself and conflicts of interest between the participating countries are being laid bare, too. Consequently with the scheduled closure of the conference drawing near on July 19, it appears that the conference is approaching its final curtain with many doubts as to the extent to which the set aims will be reached.

That construction goes hand in hand with strategical operations is the fundamental tenor of our War of Greater East Asia. Therefore any talk today on the part of our enemies about problems of the future does not distract our attention. The only thing we need to note in this connection is how greatly the Anglo-American leaders desire the lion's share and how desperately they are attempting at the same time to take hold of this problem in order to divert the world attention to issues of the future.

The problem at issue may be traced back to the beginning of April of last year when formal plans regarding the so-called post-war currency stabilization policies were made public by Henry Morgenthau, U.S. Secretary of the Treasury and British Economist Keynes, revealing a difference of opinion between the two. At the bottom of this opposition is the collision between the cash standard system advocated by America, who at present holds up to 80 per cent of the world's gold bullion and the check standard system advocated by Britain who wants to maintain her economic and financial power of the past. In other words, it is a struggle between actual strength and ideas. It could be considered also as a conflict between master of the present and master of the past. It is true that the participants in the present monetary conference do not represent merely the Anglo-American countries, but this conflict of opinions which had come to the fore already more than a year ago is still being carried over.

America, who always thinks much of realities, desires each country to contribute up to 10 per cent of her gold holdings and to establish a new international currency unit, thus securing a fund for international currency stabilization. It appears that the Soviet Union has cast her vote with this plan. However, as the latter does not wish to reveal the amount of her cash holdings, the American and Soviet viewpoints are not necessarily the same throughout.

As to the results which will be attained by the Anglo-American monetary conference, among some quarters of the delegations present there are already being made such forecasts as that the conference is bound to fail, as with the League of Nations, because of too many delegates from small countries. At any rate, what may decide the currency issue in the Anglo-American camp hereafter will probably be nothing but the fact as to which country holds the power of political domination. Thus, America's voice is bound to grow ever more powerful.

But how can America expect her position to be secure when she is being motivated only by her ambitions of world domination and her selfish spirit of financial dictatorship? Here, too, we would like to point out the basic difference between our country, whose ideals are based on principles of morality and righteousness, and America, who harbors designs of world domination through materials and money.

GANDHI'S TRUE CHARACTER

YOMIURI-HOCHI—The developments taking place in India after the release of Gandhi are a thing about which we cannot remain unconcerned. India as it stands today is an Anglo-American base for conducting a counter-offensive against Japan. That Britain's release of Gandhi last May was due to "political" rather than "physical" reasons has already been pointed out. And, as expected, Britain has since concentrated her utmost efforts on attempts to influence Gandhi, as leader of the India resistance movement and it is conceivable that as a result there have been brought forth the present approval by Gandhi of the Pakistan scheme and his proposal for establishment of a national government. If those reports of Gandhi's approval of the Pakistan scheme and of his proposal for establishment of a national government are true, the former means his surrender to Britain's "divide and rule" policy which is being worked out under cover of the movement to bring together the Hindus and the Moslems, while the latter would be tantamount to an attempt to divide civil administration and military rights and give the military rights to the British Empire.

It would mean the revival of the basic formula for the Indian Government of 1935 which the Indian National Congress has consistently opposed and it would also bring about resurrection of the Cripps proposal against which all the leaders of the Indian National Congress offered opposition in August, 1942, risking imprisonment, under the contention that the proposal signified a British attempt to "tear up India alive."

A propelling power for the realization of the complete independence of the Indian people lies in our military force. This point should be given full consideration and our best endeavors made to defeat the United States and Britain.

CHUNGKING TROOPS ABHOR AMERICANS

Not Sacrificing Their Lives to Defend Hengyang for Yanks, Say Captured Soldiers

By K. ODAJIMA
Of the Military Press Corps

SUBURB OF HENGYANG, July 15.—"We are not going to sacrifice our lives to defend Hengyang for the Americans," declared Chungking soldiers who were either captured by the Japanese or deserted their ranks. At the same time, they disclosed how the Americans had been frantically fortifying their positions in Hengyang by transporting enormous quantities of shells and Czechoslovakian machine-guns of the latest model, in anticipation of Japanese attacks.

Some of the critical comments of these Chungking war prisoners are as follows:

Second-Class Private A: "I am 50 years old. Our unit included boys as young as 12 years of age, but most of the men are between the ages of 17 and 19. Recruited in Canton, we were trained only for three months and we did not know that we were to fight against the Japanese. Three days after the Japanese encirclement operation started, we had no food. We heard that in the town there were numerous food depots, but we had to go without food for two or three days. When our commander fled, we wondered why we had to fight and decided to surrender."

First-Class Private B: "I have been in the army not longer than three months. When the staff officers began to flee from the front, the fighting morale of our unit greatly deteriorated. Pressed hard by the Japanese, we tried to retreat from the front, but was threatened at the point of guns by American officers so we stayed on the front. Later, when veteran soldiers began fleeing, we killed our commander and laid down our arms."

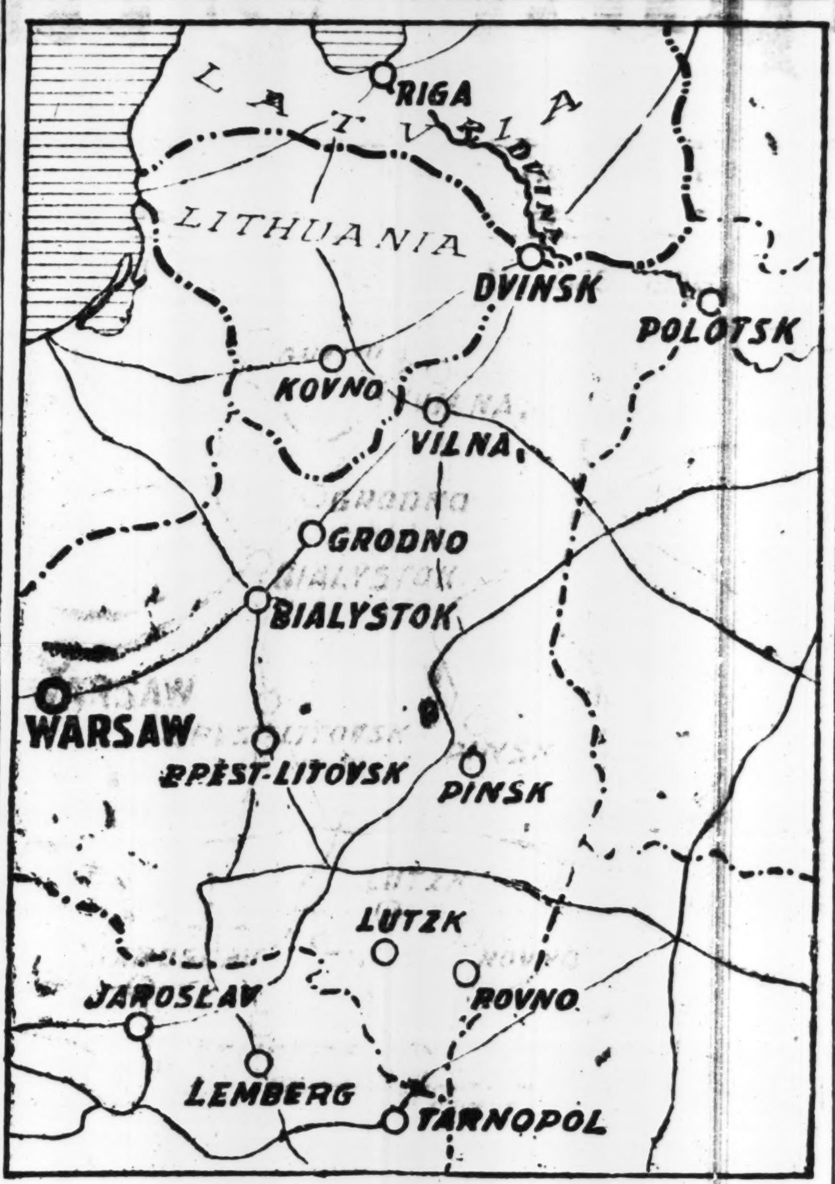
Superior-Private C: "Fooled by General Hsueh Yueh's statement that the Japanese would give up Changsha, we remained in Hengyang. We continued resistance against the Japanese Forces by dint of strongly fortified positions and the strength of the American air force in China, but one position after another fell into the hands of the Japanese attackers. We became frightfully nervous over the incessant aerial attacks by Japanese airmen. We see no reason why we should defend Hengyang for the Americans who fled, leaving the airfields open to Japanese attacks."

Non-Commissioned Officer D: "Of late, infiltration of American influence in Hengyang, an important air base of the American air force in China, has become particularly conspicuous. We often see American airmen strolling along the streets as though they monopolize the town. Many Chinese resent these American airmen indulging in drinking and playing with women. The town is flooded with cotton goods, fountain-pens, pencils, stationeries, cosmetics and foodstuffs, all transported by the the Americans.

"The muncipal authorities, on June 23, issued an order for general evacuation and at the same time prohibited the town residents from taking anything with them when evacuating. All goods available in the town were ravaged by the soldiers. Those whose belongings were plundered before their eyes, turned their angry and resentful eyes toward us."

Captain E: "I was assigned to the headquarters. When the Japanese were pressing on Changsha, Hengyang was being fortified. The town residents were mobilized for the purpose and heavy and light fire arms were daily sent to the newly-constructed positions. Around June 20, various kinds of shells and modern Czechoslovakian machine-guns were transferred from Kweilin. When all those shells were used up, supplies were transported by air. Hengyang is more highly valued by the Americans than by the Chinese. Therefore, the fall of Hengyang will be a great blow for the Americans. We are not going to sacrifice our lives defending Hengyang for the sake of the Yankees."

East Front Battle Scene



German troops are valiantly battling against a numerically superior Soviet force along the Vilna-Grodno-Pinsk line shown in the above map and the entire area is the site of some of the bitterest struggle seen on the Eastern Front.

GERMANS DESTROY 79 SOVIET RAIDERS

All Downed in Central Sector; 12 Tanks Blasted; 75 Vehicles Are Set Ablaze

Domei

BERLIN, July 16.—Soviet air formations which yesterday supported their break-through attempts in the central sector of the Eastern Front suffered the loss of 57 machines shot down by German fighters and another 22 brought down by German flak fire.

Meanwhile, German bomber and battleplane squadrons operating over Grodno and the area to the south of it scored successes with attacks directed chiefly against Soviet tanks and a number of assault guns were destroyed by direct bomb hits while 75 motor vehicles were set ablaze.

During the night, German formations continued their raids against important Soviet railway lines in several sectors of the Eastern Front, and targets in the Balti-Kovel-Tarnopol areas were successfully bombed.

Latest reports disclosed that the Soviet air losses suffered on July 14 have increased to 104. In addition to Luftwaffe activity, 41 Soviet planes were destroyed by German four-barreled anti-aircraft guns and flak weapons of the latest design.

Finns Resisting Attacks

Domei

BERLIN, July 16.—The Red Army during the past 24 hours carried out attacks at Vuosalmi on the Karelian Isthmus supported by tanks and strong artillery fire, but after fluctuating fighting all thrusts were repulsed with the exception of one dent where fighting was still in progress this morning.

Northeast of Lake Ladoga, strong Soviet forces aided by strong air formations attempted to pierce the Finnish lines there. During the course of heavy fighting which is still continuing in some sectors, violent Soviet attacks were repulsed and detachments which had pierced the Finnish lines were thrown back in a counter-attack with severe losses to the attackers.

While the Soviets attempted abortive attacks toward Loimola, penetrations gained previously in the Suojaervi districts were pushed back together with all renewed attacks. Encircled Soviet detachments suffered heavy casualties, while Finnish artillery and trench mortar fire wiped out Soviet detachments preparing for new attacks.

Armour Given New Post

Domei

LISBON, July 15.—Former U.S. Ambassador to Argentina, Norman Armour, has been appointed to head the office of American Republics attached to the State Department, according to authoritative reports from Washington. Although the State Department has not made any formal announcement, diplomatic circles in the U.S. capital declare that there are no indications that Washington is planning to send a new ambassador to Buenos Aires to replace Armour.

Fuehrer's Headquarters

July 16

Heavy V-1 fire on London continues.

At Normandy violent British night attacks against our height position southwest of Caen collapsed with heavy losses to the enemy and the temporary penetration was ironed out in an immediate counter-attack.

Strong American attacks at St. Lo. Point Hebert and on the Carentan-Periers road were foiled and numerous enemy tanks were destroyed. Embittered defensive fighting at one dent west of the Vire is going on.

In the western part of Cherbourg Peninsula, several thrusts against our new positions were repelled while the Luftwaffe attacked enemy troop concentrations bombing aerodromes and billeted localities in the landing head with telling effect.

During the fighting for Caen, the 9th S.S. Tank Division "Hohenstauffen" under the command of S.S. Standartenfuehrer Stadler and the 10th S.S. Tank Division "Frundsberg" commanded by S.S. Oberfuehrer Harmel as well as troops of the Army were given citations for particular bravery. In the offensive and defensive fighting, both divisions inflicted heavy losses on the enemy, destroying 140 tanks.

Defensive battle in central Italy raged yesterday with particular intensity in the Peccioli and Prezzo areas, and after embittered struggle our troops withdrew to new height positions.

On the Tiber, several enemy thrusts were frustrated while in the Sassoferrato district considerable losses were inflicted upon the enemy. Our ferries damaged several British E-boats off the Arno estuary.

In the Tarnopol and Lutsk areas, our divisions repulsed Soviet attacks supported by strong tank forces. Several dents were ironed out or narrowed in a counter-attack and numerous enemy tanks were destroyed. Between the Pripet and Niemen as well as Grodno, our troops frustrated enemy break-through attempts in violent fighting.

West of Vilna, thrusts by Soviet reconnaissance forces were foiled, while the lake district south of the Dvina, Soviet attacks collapsed with heavy enemy losses. North of the Dvina, our troops repelled numerous Soviet attacks and smashed many enemy tanks. Grim fighting continues at one dent and our battleplane squadrons inflicted heavy losses in men and materials on the enemy.

A total of 83 Soviet machines were shot down over the Eastern Front yesterday.

Our light naval forces sank one Soviet minesweeper in the eastern part of the Gulf of Finland, set another one afire and damaged two escort ships. Off the northern Norwegian coast, escort vessels of a German convoy sank two Soviet E-boats and captured prisoners.

One American bomber formation entering Rumania yesterday at forenoon bombed Ploesti and German and Rumanian air defenses destroyed 12 enemy machines.

British planes bombed Berlin area and the Rhenish-Westphalian territory last night.

V-1 STILL POUNDING SOUTHERN ENGLAND

Food Shortage in London Due To Bombing Shifts to Northern Counties

Special to the Nippon Times

BERLIN, July 16.—The V-1 has again been pounding South England throughout yesterday and last night, according to the British Broadcasting Corporation. Herbert S. Morrison, Home Secretary, is to open newly-built shelters and dug-outs for the population.

At the beginning of the attacks by the V-1, there was a food shortage in London but this has shifted to North England where the people were not prepared for the sudden increase in population.

Ernest Bevin, Labor Minister, said that additional manpower had been requisitioned for repair and rescue work in London. In this connection, it is interesting to note that Bevin pointed out that no less than 133,000 women and children had evacuated London during the last six days. Such mass evacuation has meant the disruption of economic life, states the correspondent of a Swedish newspaper. Berlin papers point out that the evacuation difficulties now being experienced in England are nothing new to Germany.

V-1 Activity Unabated

Domei

STOCKHOLM, July 17.—Again on July 16 the German dynamite meteors devastated England.

The affected regions were South England and the London area, where the mystery missiles dropped all day long, causing numerous casualties and wrought considerable havoc with property. Some of the dynamite meteors flew booming over the heads of pedestrians. Others made their stealthy way, mute. Then suddenly they exploded with a terrifying noise.

In South England the gunners of the marine corps, all of them veterans of the campaigns fought on Crete Island, in West Asia, on Ceylon Island and on Sicily Island in the current war, are reported to be performing the function of dealing with the V-1.

In the meantime the process of dispersing the population of London continues. Arrangements are said to have been made for about 20,000 women and children to leave London and South England within the next few days so that they may be out of danger from the dynamite meteors. Refugees on four trains organized for the purpose are expected at New Castle and two other places in the course of today.

V-1 Appears in Normandy

Domei

LISBON, July 13.—The German flying bomb, which is destroying England, is reported to have appeared on the Normandy front and, according to a U.P. war correspondent, one American division was recently battered by several dynamite meteors. This particular dispatch was sent to the London office of the United Press from the Normandy front on July 1, and the report passed the censorship on July 13. At any rate, this is the first dispatch that has reported the appearance of the V-1 in Normandy.

240,000 Evacuate London

Domei

LISBON, July 14.—German flying bombs still continued to pound England throughout the night of July 13 and considerable damage was done in southern England, according to reports from London.

On account of the tremendous havoc wrought in London by the flying bombs, U.P. dispatches from the British capital say that the Army has finally been called out. The Labor Ministry has also mustered several thousand soldiers to assist in the work of repair.

It is estimated that about 120,000 have evacuated London up to the present and furthermore about the same number of women and children have left the city of their own accord. On July 13 alone, reports indicate that about 20,000 Londoners fled from the capital.

Nippon Wild Eagles Lauded by Terauchi For Myitkyina Feat

By Arrangement with the Asahi

BURMA FRONT, July 15.—A message of congratulation which also expressed expectations of still greater achievements in the future was sent on July 14 by Field-Marshal Count Hisaichi Terauchi, Commander-in-Chief of the Japanese Forces in the Southern Regions, to the Commander of a certain Fighter Plane Unit of the Japanese Air Forces for the brilliant results obtained in the surprise attack on Myitkyina airfield on July 7. In this attack the Wild Eagles had blasted or set ablaze a total of 39 enemy planes including P-40's and Douglas transport planes. On reading the congratulatory message inside the headquarters with the rain falling in a heavy downpour outside, the fighting spirit of the Unit Commander and the Wild Eagles rose to a greater pitch as they firmly renewed their pledge to crush the enemy.

REICH CALM ON PRESSURE BY ANTI-AXIS ON TURKEY

Report of Vishinsky's Visit To Ankara Not Confirmed, Says German Spokesman

Domei

BERLIN, July 16.—No confirmation has been received here of the report published abroad that A. J. Vishinsky, Soviet Vice-Commissar of Foreign Affairs, had arrived in Ankara, the Spokesman of the Wilhelmstrasse declared in answer to a question. He added, however, that he considered such a trip not impossible.

The composure with which the new pressure of the Anglo-Americans and the Soviet Union on Turkey is being received indicates that this latest diplomatic move does not particularly affect the Reich Government, states the Spokesman.

The fact is considered interesting that the Anglo-Americans, in their discussions regarding this problem, are again referring to Teheran commitments or, in other words, to demands which Turkey has so far rejected.

New Transport Used

Domei

LISBON, July 12.—New giant American-made transports manned by a crew of 200 airmen are employed in the air route between India and Chungking, a Reuters report from Chungking disclosed today. It is believed here that the new transport is a remodel of the B-29.

REICH LINES CHECK FOE IN ITALY AREA

British Offensives in Arezzo And Tiber Fail in Face of Strong Counter-Attacks

Domei

BERLIN, July 16.—Anglo-American forces yesterday continued their pressure against the German rearguards on the western front of the Italian war theater where they repeatedly rushed against the hills which run south extending along Livorno-Poggibonsi-Arezzo and which have been strongly fortified by the Germans.

Troops of the American 5th army attacked especially with strong forces against San Ginignano and after gaining the high ground positions threatened the town of Poggibonsi which was evacuated by the Germans.

Today, severe fighting again ensued in the Arezzo area and in the Tiber Valley in the direction of Citta di Castello although the British troops were unable to score any success in the face of determined German counter-attacks.

Farther east, German strongholds between Fabriano and Filotrano were withdrawn to the north bank of the Musone River while in the coastal sector the British were unable to gain any ground.

Concerning the fighting in central Italy, German military quarters pointed out that their strategy of tying down as large an enemy force as possible with least employment of German troops has proven successful. Using the terrain to good advantage, the Germans have thus far inflicted heavy losses on the enemy with slight sacrifices.

With the capture of Rome, the same quarters stressed, the anti-Axis command had hoped to penetrate northern Italy without encountering much resistance, but their calculations were broken by Field-Marshal Albert Kesselring who has engaged the enemy many times superior in number.

Thus, these quarters added that the enemy has been compelled to employ several hundred thousand tons of shipping space to supply his forces which otherwise might have been effectively engaged elsewhere.

MRS. CHIANG TAKING REST

Special to the Nippon Times

LISBON, July 16.—Regarding the sudden arrival in Rio de Janeiro of Madame Chiang Kai-shek, it has been learned here from reliable quarters that she left Chungking on July 9 for South America to recuperate her health in Brazil, arriving in the Brazilian capital on July 14. Since her return to Chungking from an extensive tour of the United States and Canada last year, Madame Chiang has not had a chance for real rest, failing to recover herself fully.

Doctors advised her to go somewhere else to convalesce because the weather in Chungking does not suit her. It is expected that the change of climate in South America will prove good and make her completely recover in the near future.

In the meanwhile, it is reported from Rio de Janeiro that Madame Chiang has arrived there for a three-month rest. The Chungking Embassy at Washington said that Madame Chiang will likely not visit the United States.

Spanish Naval Leaders

Domei

LISBON, July 13.—The conference held for the past few days among Spain's naval chiefs under the chairmanship of Navy Minister Moreno was ended today and the participating naval leaders returned to their posts again, according to a Madrid dispatch.

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LAUREL ANNOUNCES NEW DEFENSE LAW

Move Is Taken to Safeguard Transportation and Communication Facilities

Domei

MANILA, July 15.—Revealing again the close cooperation existing between the Imperial Japanese Forces and the Republic of the Philippines, President Jose P. Laurel proclaimed that theft or damage of transportation and communication facilities of the Imperial Japanese Forces will be subject, not only to criminal liability under the existing Penal Laws, but to "severe punishment under the Japanese Military Law."

At the same time, he enjoined the Philippine Constabulary and all law-enforcement agencies of the Republic to exert their utmost to prevent such deplorable acts on the part of citizens and to extend full cooperation to the police measures of the Japanese military authorities in this matter.

Pointing out the reason for the proclamation, the President asserted, "The Republic of the Philippines bound itself to closely cooperate with Japan on matters political, economic and military and to afford necessary facilities of the Japanese Forces stationed in the Philippines during the War of Greater East Asia to safeguard territorial integrity and political independence."

He added that several cases involving the disappearance or destruction of parts of accessories comprising communication and transportation facilities and other establishments which due to military exigencies are under the control of the Japanese Forces, have been brought to his attention.

He said that in view of such circumstances, the proclamation was made in order "to secure the happiness and tranquillity of the Filipinos and minimize hardships and suffering as far as possible."

In a statement following the Presidential proclamation, the Imperial Japanese Forces, pointing out the seriousness to military security of the Philippines if stealing or damaging of communication and transportation facilities are left unremedied, asserted, "For the protection of the independence and defense of the Philippines during the War of Greater East Asia, in accordance with the principle of joint defense" the Japanese Forces with complete understanding and cooperation with the Republic have been constrained to take definite measures.

They also declared that they hope "that every possible cooperation be rendered by the Filipino people toward the measure which is intended for the prevention and elimination of any hindrance standing in the way of Japan's defense of the territory of the Republic, and for securing and safeguarding the happiness and tranquillity of the people."

MINE WORKERS HONORED

Commended for Great Efforts During Bibai Pit Explosion

Several engineers and miners of the Bibai Coal Mines, Hokkaido, were presented with certificates of honorable commendation and "shikishi" by Nobusuke Kishi, Minister Without Portfolio, for their self-sacrificing efforts in rescue and reconstruction work at the time of the gas explosion at the mines which occurred sometime ago. The presentation ceremonies took place at the Bibai coal mines on Monday.

The names of those who received honorable commendation are: engineers, Yohichiro Sato, Shozo O'kawa, and Hayao Sasaki; assistant engineers, Hidetaro Obata, and Shigeru Yonezawa; miners, Sanzo Sato, Yokishiro Asari, and others.

China's Justice Minister Dies

Domei

SHANGHAI, July 16.—Chang Yipeng, Justice Minister of the National Government of China, who became ill due to overwork and had been recuperating at his home here since July 8, died yesterday at 4:15 p.m. He was 73 years old. Funeral services will take place at the International Funeral Hall tomorrow at 2 p.m.

Obituary

Dr. Takayoshi Kaya, formerly professor at Kyoto Imperial University, died of heart disease on Saturday afternoon at his residence at Sakyo-ku, Kyoto. He was 74 years of age. Funeral services will be held at Chionji Temple in the city at 1 p.m. on July 22.

Utaro Norimoto, a member of the House of Representatives from the Nagasaki first electoral constituency, died of illness on Sunday morning at his residence at Nishiyama-cho, Nagasaki. He was 54 years old. Funeral services will be held at 2 p.m. today at Kogenji Temple in that city.

Exercise for Health

Hard-working Japanese nurses brave the fiery tropical sun by performing radio calisthenics somewhere on the Southern Front.

CHINESE ENDEAVOR IN SOUTH STRESSED

Energetically Cooperating With Japanese, Says Son of Nanking Official

Domei

CANTON, July 15.—The wholehearted cooperation of overseas Chinese throughout the Southern Regions in construction activities is stressed by the son of a certain high Nanking official holding an important post in the National Government of China in a lengthy memorandum which he prepared in the course of an extensive inspection tour of the Southern Regions.

The memorandum was released to the press here on July 13, the date of his arrival en route to Nanking after two months spent in Saigon, Malai, Shonan and Bangkok. In the memorandum, particular stress was laid on the positive collaboration of Chinese residents in the Southern Regions to Japan's war effort as well as in construction activities, and also on their full consciousness of the importance of the role they are playing in bringing about an "Asia for the Asiatics."

Emphasis was also laid on the Chinese youths in the South who are fully aware of the lofty ideals of the construction of Greater East Asia which is now receiving the full support of the people of Greater East Asia. The young man declared that the gigantic stride made in reconstruction of East Asia which he personally witnessed during his trip was most impressive. He was furthermore impressed with the great national strength of Japan.

He declared that during his trip he was awakened to two important facts: Firstly, in the past Chinese youths believed it utterly impossible to put into practice the spirit and principle of sharing the same fate with Japan and merely looked upon the idea as a hallucination. But as a result of his trip to the Southern Regions and after witnessing Chinese youths working hand in hand with the Japanese, he realized for the first time that such a spirit and principle were actually being practiced.

Forming Asiatic Front

Secondly, the attitude of the Chinese residents toward the aforesaid spirit and principle in the past had been negative and lukewarm. However, he said that with Japan devoting herself to the defense of East Asia against Anglo-American aggression, all Chinese in the Southern Regions now unanimously felt that they were called upon to facilitate reconstruction to do their bit in furthering the cause of a united Asiatic front for the liberation of East Asia.

The young man continued that all the inhabitants know that no small sacrifices are being made by Japan and her allies for restoring the vast regions of the south to East Asiatics from century-long Anglo-American exploitation. In various parts of the Southern Regions, several thousand miles away from China, he added, Chinese youths of about the same age as he were busily engaged in development and construction, with zeal and determination for the rejuvenation of East Asia.

"It was certainly an inspiring and impressive sight to see Chinese youths at work side by side with other fellow Asiatics," he declared. He continued that at the sight of Chinese youths busily at work on important construction projects, he felt an irresistible urge to also give all for the construction of Greater East Asia. He added that he was convinced this same feeling was shared by all youths of East Asia.

Hopeful of Future

One of the most impressive things, he declared, about the Chinese in the South was the fact that they are absolutely hopeful about their future despite various difficulties attendant upon wartime conditions. He added that many overseas Chinese naturally were keenly interested in news about Kwangtung and Fukien Provinces which are the native homes of the majority of them. When he told them, he continued, of the return of complete peace and order and the revival of former prosperity in Canton and other parts of South China, they unanimously expressed satisfaction.

"Now it is up to the youths in China to undertake the all-important task of giving proper guidance to those Chinese in the Southern Regions so that they may further cooperate in the gigantic task of creating a new Asia for the Asiatics," the young man declared.

In conclusion he said that there were two points of significance which impressed him during his trip, namely: the prosperity of Greater East Asia to the welfare of all Asiatics and recognition of the important role which China is playing in this gigantic work.

SHONAN HONORS HEROES

Solemn Services Are Held at Bukit Timah War Memorial

Domei

SHONAN, July 15.—Rites for depositing the remains of a certain number of valiant heroes, who fell in the defense of Malai and Sumatra, and the fourth requiem services for the war dead were solemnly observed in front of the Memorial for the War Dead at Bukit Timah on July 14 and 15.

Funeral services for the new war dead were observed on July 14 at 8:30 p.m. at the Shonan Honganji Temple and following this the rites for depositing the remains and enshrinement ceremonies took place at night before the Memorial. On July 15 requiem services were observed before the Memorial from 11 a.m.

On this day, flags were displayed at half-mast at each house in Shonan and the entire populace paid solemn respect to the memory of the war dead.

RITES FOR PRESSMEN SET

Members Who Died on Duty to Be Honored at Hachiman Shrine

Memorial services for members of the press corps who have died at their posts since the beginning of the Meiji Era down to the current war will be held within the precincts of Saginomiya Hachiman Shrine in Nakano-ku, Tokyo, on September 3 under the sponsorship of the Musashino Bunka Kai.

Aside from the memorial services, a roundtable meeting will be held at which new songs, plays and naniwabushi recitations will be given.

FINANCE TROUBLES HIT CHIANG REGIME

Forced to Issue Huge Bonds, Circulate New Fapi Notes To Cover Deficiency

Financial difficulty and the corruption of the currency system have necessitated Chungking to issue 10,187,000,000 yuan bonds and circulate new fapi notes amounting to 15,144,600,000 yuan during the last fiscal year as the total revenue constituted only about 27 per cent of the total expenditures, according to the Tungnan Jih Pao's dispatch from Shanghai to the Nippon Sangyo Keizai.

The new issues of fapi notes are printed in the United States, and the inflation has also caused the printing and circulation of large denomination notes such as 500 and 1,000 yuan notes, it is also reported.

The budget of the Chungking regime for the last fiscal year as announced by the Tungnan Jih Pao revealed the present financial difficulty of the regime, and it is furthermore the latest financial statistics available as the budget for the present fiscal year has not yet been made public.

Chungking Budget for 1943-44
(in 1,000 yuan)
(Revenue)

Customs Tariff	141.400
Wartime Consumption Tax	900.000
Direct Tax	2.125.000
Consolidated Tax	378.700
Alcoholic Tax	500.000
Mining Tax	31.900
Land Tax	3.414.800
New Consolidated Tax	3.400.000
Stamp Tax	417.500
Salt Monopoly Profit	1.050.500
Sugar Monopoly Profit	614.400
Match Monopoly Profit	705.500
Tobacco Monopoly Profit	600.100
Total	10.638.400
Bond Issues	
Victory Bond	3.000.000
Provision Storage Bond	6.390.000
Provision Debenture	797.000
Total	10.187.000
Grand Total	20.855.400
Currency issue to cover deficiency	15.144.600

The shortage of 15,144,600,000 yuan had to be covered by the new issue of fapi notes. Since this is the official figure, the actual issue of new notes is believed to have been many times that figure as the absorption of the Victory Bond reached only one-third of the total budget figure.

The budget for the present fiscal year has not been announced yet, but it is estimated that it will be at least 70,000,000,000 yuan, or about double the figure for last year.

The Chungking regime has given utmost efforts to increase the revenue from national taxes and monopoly profit, but much cannot be expected in this field. Though the authorities have urged the people to increase their savings, no concrete result has been obtained as it is impossible to have the cooperation of the public which is suffering from serious inflation.

The quota set for national savings this year is said to be 22,000,000,000 yuan. Even though one-half of this amount is attained, it will become necessary to newly issue 40,000,000,000 yuan of fapi notes during the present year. At the beginning of June of this year, the total circulation of fapi notes was estimated at more than 120,000,000,000 yuan, and under the circumstances it would not be long before it reaches the 200,000,000,000 yuan mark.

Chungking has no facilities to print so large a quantity of bank notes and thus it is depending on the production capacity of the United States for the supply of her fapi notes. Large shipments of printed notes are coming by airplanes from the United States and among the new notes issued are 500 and 1,000 yuan notes.

New issues of the gold note for foreign trade purpose have also been made by Chungking and at present, there are three kinds of gold notes, namely one, five and 10 yuan. Officially the gold note is quoted to fapi at the rate of one to 20.

East Asia Round-Up

Dance Halls Closed

Domei

MANILA, July 17.—On grounds that they do not serve the construction purpose at a time when the entire nation is geared for reconstruction, President Jose P. Laurel yesterday ordered the closing of all night clubs, cabarets, dancing schools or dance halls, effective July 1. The closing of these places was recommended by Mayor Leon Guinto.

Holding Art Lectures

Domei

MANILA, July 17.—In order to introduce art lovers into Japanese and Filipino arts, a two-day lecture meeting, under the auspices of the Kalibapi will be held on July 18 and 19 to mark the conclusion of the second Kalibapi Art Exhibition and Competition currently showing in the Nippon Cultural Hall.

Increasing Cigarette Output

Domei

PENANG, July 17.—Malai's biggest cigarette factory, the Kyodo Tobacco Company in Seremban, Negri Sembilan, is producing 200,000 cigarettes of the "Minami" brand daily, all turned out by modern machinery.

'Ersatz' Cardboard Made

Domei

MANILA, July 17.—Cardboard manufactured from coconut husk waste has been placed on the market here. It is suitable for making shoe and cigar boxes as well as supplying artists' and photographers' needs.

Observing 12th Anniversary

Domei

HSINKING, July 17.—The Manchoukuo Concordia Association will observe its 12th foundation anniversary on July 25 and on this memorable day, the central headquarters of the association here as well as the city, hsien and banner headquarters will conduct memorial services for former Concordia officials who dedicated their lives to the State.

Comforting Miners, Workers

Domei

HSINKING, July 17.—Yuan Chen-tao, Manchoukuo Minister of Commerce and Industry, as head of the industrial party will personally visit miners and workers, who are redoubling their efforts for increased industrial production. Trips will be undertaken to 132 mines and mills throughout the country.

Workers' Council Set

Domei

HSINKING, July 17.—In order to provide skilled workers for important war industries with wholehearted cooperation of leading private industrial bodies, the Manchoukuo Government has decided to establish a Skilled Workers' Council operated by the Technical Division of the Concordia Association.

Kalibapi Departments Expand

Domei

MANILA, July 17.—Five new departments have been created in the Kalibapi, namely, offices for the President, Vice-President, Director-General, Assistant-Director-General, Financial Administrator and Accounts Inspector.

District Chiefs Train

Domei

DJAKARTA, July 17.—Two hundred and three district chiefs selected from all parts of Java, started a one-month training course at the native officials' training institute here on July 14 as the first batch of district chiefs, all of whom are expected to be trained in the course of this year.

WOMEN ASSISTING MANCHOU GROWTH

Wife of War Minister States Strict Economy and Savings Campaign Strengthened

Domei

HSINKING, July 17.—In their earnest desire to assist in the emancipation of Greater East Asia, the women of Manchoukuo are practising strict economy and helping in the propagation of the significance of the savings campaign sponsored by the Government, declared Madame Hsin Liu Hwen-lien, wife of the Manchoukuo Minister of Military Affairs General Hsin Shih-lien in an interview with the press.

"Savings in wartime," Madame Hsin continued, "is absolutely essential, for, owing to the lack of commodities resulting from concentration in the production of war materials, a large surplus of idle funds have accumulated. Therefore, in order to maintain even a balance in funds and commodities, several savings plans and taxes have been promulgated by the Government with the object of absorbing the idle funds and thus stabilizing the economic situation."

"Since the establishment of Manchoukuo, the Manchou women have come out of their shell and are now participating in public affairs, something undreamed of in the old days," said Madame Hsin.

When the War of Greater East Asia broke out, the Manchoukuo Women's National Defense Association redoubled its activities with a view of increasing the war potentiality of the nation.

Commenting upon the ideals for the establishment of Greater East Asia, she asserted: "Manchoukuo women have fully grasped the significance of the ideals championed by Japan upon which she has staked her very existence."

For the women of Greater East Asia desiring to learn more of the lofty aims supported by Japan, Madame Hsin suggested: "They should pay particular attention to news concerning Manchoukuo or better still send women's missions to see for themselves the progress made by this country."

She pointed out that the people of the Philippines who had been ignorant of the conditions here, will have been told of the remarkable advance made by this country by Benigno S. Aquino, Speaker of the Philippine National Assembly, who headed the inspection party which visited Manchoukuo in the early part of May.

In closing, Madame Hsin appealed to the women of Greater East Asia to organize themselves to be in a position to assist their respective governments in building up a strong state and thereby bolstering Greater East Asia.

SWEDISH-GERMAN TRADE

Sweden Fulfills First Half Year Quota of Exports

Domei

STOCKHOLM, July 12.—Concerning the commercial agreement between Sweden and Germany, the Swedish paper Nya Dagligt Allehanda today disclosed that Sweden had already exported to Germany 3,000,000 tons of goods as the first half year quota of the total quota of 7,000,000 tons for the fiscal year 1944.

On the other hand, German export to Sweden has already fulfilled its quota particularly the export of coal and coke which had surpassed the agreed amount.

Vice-Ministers Meet

The regular meeting of Vice-Ministers was held at the Prime Minister's official residence on Monday at 8:30 a.m. Various matters requiring immediate attention were discussed and the meeting adjourned at 9:30 a.m.

P.I. TO ENCOURAGE HOME INDUSTRIES

Teaching of Useful Handicrafts And Animal Husbandry Planned by Education Ministry

Domei

MANILA, July 17.—In line with the educational policy of stressing vocational training in schools, the Ministry of Education has laid down plans for the teaching of useful handicraft leading to the encouragement and development of home industries as well as practical agriculture and animal husbandry.

In connection with handicraft it is planned to intensify the training of such projects as bamboo craft, basket work, shoe repairing, slipper and hat making, mat weaving, side by side with the production of distinctive Filipino foods, including coconut candies, cakes and fruit preserves.

The resources of each locality will be considered in the teaching of handicrafts so that the thorough use of available material will be assured. For example, in Ilocos Province, where cloth material abounds, weaving will be emphasized; in the Bicol regions, abaca handicraft and coconut products, and in Bohol, Tayabas and Pangasinan, hat manufacturing.

Travelling handicraft experts will be employed to teach and supervise the trades in various provinces.

Regarding the teaching of practical agriculture and animal husbandry, schools will be established to exert all efforts to introduce new plants as well as improve animal stock. If a school owns high-grade breeding animals, such as boars, roosters or bucks, these will be utilized for the improvement of the local community stock. Such activities as caponizing treatment of animals will be demonstrated for the benefit of townspeople.

In addition, schools will also conduct community assemblies and lectures and conferences for the benefit of farmers. At least once a year, schools will sponsor an exhibition or fair in order to enable the people to see what the schools are doing in the practical way.

All plans were thoroughly discussed at a recent meeting of divisional superintendents of schools.

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TOKYO, TUESDAY, JULY 18, 1944

Highhandedness at Bretton Woods

A few days ago the United States and Britain flatly rejected the demand of the Indian delegation to the International Monetary Conference at Bretton Woods that a portion of the proposed currency stabilization fund be used to unfreeze India's sterling balances at London. On the heels of this dispatch came another announcement from Bretton Woods that the United States delegation had delivered a virtual ultimatum to the Soviet delegation demanding an immediate reply regarding the Soviet Union's attitude toward her assigned quota.

These two news items serve better than anything else to illustrate the manner in which the International Monetary Fund will be utilized by the United States and Britain. What these countries seek to gain from the present monetary conference is Anglo-American economic domination in the world of the future.

According to the United States and Britain which drafted the plans for the projected international currency stabilization fund, the avowed objective of the present conference at Bretton Woods is to facilitate the flow of international commerce for all nations by the removal of artificial trade barriers such as foreign exchange restrictions. Yet, by throwing out the proposal of the Indian delegation, the Anglo-American countries have brazenly demonstrated their intention to maintain a free hand in the conduct of their foreign trade while forcing other countries to abide by the decisions of the International Monetary Conference. The United States and Britain intend to expand thus their export trade at the expense of these nations which, having been once compelled to scrap their foreign exchange controls, will be utterly helpless to stop the Anglo-American countries from dumping their goods on them.

Britain's selfish object in blocking the sterling balances of India at London is, of course, to prevent India and other countries with similar balances at London from diverting their purchasing power elsewhere and to force them to buy British goods in the post-war period. Such a policy is also a clever device to prevent the United States from edging in on British trade with these countries.

The demand of the Soviet Union, in view of her expansible economic capacity, for a greater quota than that assigned to her by the Anglo-American countries in the tentative draft is but natural. Also natural in view of the widespread devastation caused by the war on the Eastern Front is her demand that her gold contribution to the common fund should be smaller than that of either the United States or Britain. Yet the Anglo-American countries, conscious only of their own self-interest, have insisted that the Soviet Union must choose between two alternatives: (1) to accept a higher quota entailing a larger gold contribution or (2) to accept a lesser quota with a smaller gold subscription and, incidentally, a smaller voice in the executive committee of the International Monetary Fund.

The arbitrary and dictatorial manner in which the United States and Britain are conducting the present monetary conference is a warning to the world of the ruthless ambitions of these two countries. Through their control of the votes in the executive committee of the Fund, the United States and Britain will surely squelch any proposal which will be against their economic interests and adopt measures which will facilitate their economic exploitation of the world. Economy security for all is not their aim. Unlike Japan which advocates an economic system under which all nations will be enabled to develop their economic potentialities to the fullest, the Anglo-American countries selfishly seek only their own material advancement regardless of the sufferings of humankind.

Reconstruction of China's Grand Canal

The Grand Canal of China, which was built during the Sui dynasty about 4,300 years ago, is one of the greatest marvels of engineering construction in the world. It extends more than 1,700 kilometers from Peking to Hangchow in Chekiang province and touches numerous rivers such as the Paiho, the Yellow River, and the Yangtze, and many lakes such as the Taihu and Kaoyu. During the years of its long existence it has served the interest of agriculture and provided water for pasturage over the provinces of Hupei, Shantung, Hunan, Anhui, Kiangsu and Chekiang and facilitated the exchange of their produce. It has even nursed the economy of other provinces such as Shensi, Shansi and Kiangsi. The role it has played through its material contributions to the country is inestimable.

The Grand Canal today, however, is in ruins, having fallen into decay through political disturbances and natural calamities since about the time of the Opium War. By reconstructing the canal through a five-year plan the National Government proposes to infuse new life into the vast area served by the canal. The work of dredging, reclaiming and constructing locks will be carried out over a period of five years at the estimated cost of 1,800,000,000 yuan and a labor force of 600,000. The first part of the program was started on April 1 on the stretch of the canal from Taierhchwang on the border between Shantung and Kiangsu to Kwachow in the Yangtze basin and is scheduled to be completed by November. The section forms one-quarter of the total length of the canal and passes through a densely populated and materially plentiful area.

Transportation by water being the cheapest and most effective means for the interflow of commerce, the significance of the restoration of the Grand Canal to working order is vast. By the restoration of this inland waterway, not only will the self-sufficiency of China be aided and prosperity brought to the areas it serves, but this in turn will increase the effectiveness of China's role of being a vital supply base for East Asia's war against Anglo-American imperialism. The project for the restoration of the Grand Canal attests to the vigor and ability of the National Government to accomplish great constructive tasks and is indication that the full reconstruction of China is no idle dream.

A Year Ago Today

July 18, 1943

To the Gallup Poll's question; "Which anti-Axis country has made the greatest contribution in the current war?" the British people answered in the following order: Soviet Union, Britain, Chungking and United States. To the same question the Americans answered in the following order: United States, Soviet Union, Britain and Chungking. This reveals the disparity in the opinions in America and Britain.

• • •

The new Governor-General of Martinique, Henri Hoppenot, ordered the French fleet which had been anchored at the island since the surrender of France to proceed to the United States. The main warships of the fleet are the aircraft carrier Bearn, 22,146 tons and the cruiser Emile Bertin, 5,886 tons.

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Nelson Rockefeller, head of the Investigation Bureau of the Trade and Cultural Relations in the Americas, upon returning home from his tour of South American countries reported to the Senate that drought in the various countries which he visited has caused marked failure in agricultural production. For this reason difficulties will be encountered by these nations in supplying foodstuffs to the United States let alone meeting their own food demands.

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The Bengal Provincial Legislature passed a resolution demanding of the Indian Government the immediate release of Mahatma Gandhi, Maulana Abul Kalam Azad, Pandit Jawaharlal Nehru, and other leaders of the Indian National Congress Party who are now being detained in prison. The resolution was submitted to the Provincial Government.

THE BALKAN NATIONS IN THE WAR

General Situation In Southeastern Europe Surveyed

(By A SPECIAL CORRESPONDENT)

The Balkan States covering the southeastern portion of Europe, have become more and more, as the war goes on, the cynosure of all eyes. As we have seen the anti-Axis powers are carrying on a relentless "war of nerves" against these countries. On May 12th, the Anglo-American powers together with the Soviet Government, in the form of a joint declaration, demanded the withdrawal of Hungary, Bulgaria, Finland and Rumania from the war. The four nations, however, fortified their resolution to prosecute the war to the end, and the German Government has remained ever confident of the increasing cooperation of the four countries. Let us review the present conditions in the Balkan States.

When the Soviet armies pressed on to the Carpathian Mountain on the eastern frontier of Hungary in March of this year, German armies marched into Hungary to bolster the defense of the Balkan States. This was a result of Regent Nikolos Horthy's conference with Hitler and Prime Minister Karolyi resigned, giving place to the Minister to Germany Doeme Sztojay who formed a new Cabinet and took measures for the control of Jewish elements in the country. And the Hungarian army numbering 450,000 joined forces with the German army for the defense of the Carpathian Mountains. Although a kingdom in name from the past, the crown of St. Stephen has remained but a symbol, leaving the sovereignty to the Regent. Regent Horthy was brought up in the navy of the former Austria-Hungary. After the independence, overthrowing Bela Kuhn's Red administration, he was chosen Regent in 1920. At the advanced age of 76, he enjoys the full confidence of his people as well as the German Government with which he is very anxious to collaborate. In the last World War, Hungary lost much of her national domain. At one time, the anti-Nazi movement was strong in the country but under the wise leadership of Regent Horthy, in 1939 with Germany's march into Czechoslovakia, Ruthenia was retaken and later Transylvania, long disputed between Hungary and Rumania was returned to Hungary. A strong unity with Germany exists but the anti-Axis powers have constantly resorted to divers intrigues with little success.

Is Battle Ground

Rumania alone among the Balkan States, has become an actual battleground. Towards the end of March, the Soviet forces crossed the eastern frontier and entered the northern part of Rumania. Foreign Minister Molotov of Russia declared that the Soviet Government had no territorial ambitions. Due to the fierce onslaught of the Rumanian and German forces, however, the spearhead of the Russian drive was broken. Although the fighting in the northern frontier has subsided, the Balkan situation will bear close scrutiny in the near future. It is evident that the U.S.S.R. is constantly paying keen attention to this country and the Anglo-American powers also look to this country as the key to the trends in the Balkan region.

With Ploesti as the center, the great oil fields producing over 6,000,000 tons of oil a year are a source of Germany's great war powers. A great rivalry exists between the Soviet Union and the Anglo-American camp regarding the sphere of interest in Rumania. Should the Soviets force themselves into central Rumania and on to the Dardanelles, Bosphorus and then on to the Mediterranean, the Anglo-American powers would be completely overwhelmed.

As Rumania's territories were expanded as a result of the last World War, she was, like Jugoslavia, Greece and Albania, wedded to the policy of maintaining the status quo. But in 1940, Bessarabia was taken by Soviet Russia and later Transylvania was ceded to Hungary so that her territory was halved. Formerly, her sympathies were rather Anglo-French, but Prime Minister Antonescu, wisely joined hands with Germany rejecting Britain's temptations and permitted the entry of German troops. At the outbreak of Soviet-German hostilities, 22 divisions were sent to the front from Rumania. They fought brilliantly in the battle of Stalingrad as well as at Sebastopol. It is probable that the old antagonism towards Russia and the loss of Bukovina and Bessarabia had a great deal to do with her present attitude.

A monarchy with 24-year-old Michael as King, Antonescu holds the actual reign of the Government. He was the organizer of the Army and rode at its head into Hungary at the time of the rise of Bela Kuhn. He is noted for his strong anti-Soviet views and due to his opposition to the Soviet annexation of Bessarabia and Bukovina, he was imprisoned for a time in Transylvania. Later he was chosen Prime Minister for his keen insight and for the last four years has led the nation with success through many difficulties. The strict measures taken against the Jewish menace since the end of last March has strengthened his position. From the military point of view little is known about his ability, but knowing full well the designs of the Anglo-American camp, he is no doubt determined to fight through in cooperation with the German forces. The ruthless bombing of residential districts of Bucharest from the enemy bases in Cyprus is evidence of the Anglo-American wishes to break down the Rumanian people's will to fight.

Are Pro-Soviet

Bulgaria is in a state of war with the United States and Britain but with Russia she stands on neutral ground. Being a Slavonic nation, her sympathies with the Soviet Union is great. It is often said "the ruling classes are pro-British, the Military are pro-German, and the people are pro-Soviet," but it is not entirely so. Boris III, who died last year was a noted pro-German, and Prince Regent Cyril also places trust in Germany. There is a strong racial tie with Russia. Feeling against the Anglo-Americans is rapidly growing, especially after the bombardment of Sofia. Seven year old Simeon II is King with Prince Cyril as Regent. Former Navy Minister Filoff and former Army Minister Mikoff are Vice-Regents. Prince Cyril, 50, is a Lieutenant-General in the Bulgarian Army, and the younger brother of the former King Boris. Filoff was for four years previous to his appointment to the regency, the Prime Minister. He was for many years a professor of archeology but after his assumption of the portfolio of Education, he has been active in political life. Mikoff has been known as an ardent pro-German general. The anti-Axis governments have been unleashing a furious "war of nerves" by spreading rumors about a coup d'etat and a change of the Cabinet. The Soviet Government has been at work along more direct lines such as the donation of huge funds for the repairing of the Greek Orthodox Cathedral in Sofia.

Covering a portion of former Yugoslavia, Croatia declared her independence shortly after the outbreak of hostilities in the Balkans. The head of the new State, Poglavnik, had for many years been active in the independence movement. Since 1929 he was an exile in various countries, and at the time of the rebirth of Croatia, he was in Italy. After his return and assumption of office, he immediately sent troops to the Soviet front and swept the country clear of the adherents of Tito's regime and did much toward the building up of the new order in the western part of the Balkans. Serbia became an independent State under the leadership of General Midan Neditch in September, 1940. It is now thriving under the protection of Germany. Although she is not included among the Balkan States, Slovakia, formerly a part of Czechoslovakia, under the guidance of President Dr. Joseph Tiso is steadily growing as an Axis country.

Canada at the Crossroads

U.S. Takes Advantage of Military Weakness of Northern Neighbor to Expand Her Economic Penetration

By OUR FOREIGN EDITOR

Part II

Since 1939, Canada has carried on a program of increasing industrial expansion, her industries being artificially stimulated by the war demands of Britain. So vast were her shipments of war materials to her mother country that during the years from 1939 to 1941 Canada's dollar balance accounts against Britain totaled more than $1,870,000,000. Canada became overnight the creditor of her mother country but, ironically at the increase of her own national jeopardy. The loss of British capital in Canada naturally agitated the contrifugal forces within the British Empire—forces which were weakening the ties of the two countries and opening up the possibility of greater economic intervention by the United States in Canadian affairs. To alleviate the impending crisis in British-Canadian relations, Canada granted her mother country a non-interest bearing loan of $1,000,000,000. The move was a master stroke which gave Canada a tremendous influence over her mother country, while her exports to Egypt, India, Australia, and other British possessions have also perceptibly increased Canada's power over these countries.

Creditor though she may be of her mother country, Canada nevertheless remains today a fourth-rate military power. She is clearly in no position to defend herself against any well-equipped enemy. According to the report of The Times, London, on May 4, approximately 750,000 Canadians have been drafted for military service while 1,100,000 men have been mobilized for the munitions factories and other related war activities. Her navy, of course, exists only on paper. But the most vulnerable point in Canadian defense lies in her sparse population—a population of 11,500,000 in a land sprawled over an area 3,694,863 square miles.

Must Look to Outside

Obviously, the people of Canada cannot live in "splendid isolation"; she must look for outside assistance. But Britain is unable to come to her rescue now or in the predictable future. The opportunities arising from this inherent weakness in Canada's military power have been seized by the United States. In 1940, the United States invited her to enter into a mutual defense aggrement. Two years later, the two countries reached an understanding regarding the construction of the Alaskan Highway. Subsequently the United States has used these agreements as convenient pretexts for dispatching her troops into Canadian territory and for exerting military and economic pressure on her northern neighbor.

Thus, when Prime Minister King made his speech in the British Parliament on May 11, he was merely giving a graphic confirmation of these inexorable, ill-boding developments. More than anybody else, he realizes only too clearly that Canada would not be able to resist the pressure of the United States even if the British Commonwealth of Nations were to create a permanent organ for intense cooperation among its members as was advocated by Prime Minister John Curtin of Australia and Prime Minister Peter Frazer of New Zealand. Nor was he oblivious to the fact that the United States, intensely suspicious of any British schemes for intra-Empire collaboration, would highly resent Canada's participation in such schemes. For the same reason, Canada was apparently unwilling to assent to the plan advanced by Prime Minister Jan C. Smuts of the Union of South Africa for the establishment of a regional bloc. What is this but a damaging testimony that Canada is slowly but inevitably gravitating toward the United States!

Predicament Tragic

Tragic, indeed, is the present predicament of Canada. She trod the path which she thought would lead to complete independence only to come face to face with the demon of American imperialism. Apparently it is too late now to turn round and salvage the broken ties with her mother country as well as strengthen her cooperation with the other members of the British Commonwealth. Unwittingly caught in the powerful grips of the United States which has already foisted her ruthless domination over Latin America, Canada faces the grisly possibility of witnessing the end to her dreams of complete independence. Canada has perhaps also realized now that it is the national policy of the United States to keep her permanently in the position of an agricultural nation, for this American Colossus will not brook any competition against its own manufactured wares. Canada may even be forced to readjust her agricultural economy so that her farm products will not compete with those of her southern neighbor. How effectively the United States can stifle the industries of Canada is patent from the fact that the latter possesses no large reserves of oil, a fuel indispensable to the development of any great industrial nation. These considerations must inevitably foreshadow sordid and bitter economic conflicts between these two countries of North America.

A dark shadow thus hangs over Canada's future. Her gradual separation from her mother country has given new impetus to the forces bringing about the inevitable disintegration of the British Empire while, at the same time, the forces have been set in motion that can only result in Canada's own Nemesis. Ironic is the fate of Canada which began as a colony of Britain only to end with the possibility of losing her present hard-won autonomy by becoming a satrapy of the United States.

(End)

Fruits of Wisdom

Philosophy is the art and law of life, and it teaches us what to do in all cases, and, like good marksmen to hit the white at any distance.—Seneca.

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When we have only a little we should be satisfied; for this reason, that those best enjoy abundance who are contented with the least.—Epicurus.

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Some men, like spaniels, will only fawn the more when repulsed, but will pay little heed to a friendly caress.—Abd-el-Kader..

• • •

I look upon it as an equal injustice to loath natural pleasures as to be too much in love with them.—Montaigne.

AS JAPANESE YOUTHS VIEW LIFE

Students' Spirit of Self-Sacrifice Intensified by War

By IWAO KURODA

Editor's Note: Writing in the magazine Bungei Shunju under the heading, "Young Men's Outlook on Life and Death," Iwao Kuroda, a college professor, shows clearly what the young people of Japan today are thinking about their lives. This article is commentary on the essays on the subject of "Our Lives" submitted by students at the entrance examination of the author's college this spring. The article, in substance, follows.

Undoubtedly, most people have never thought so seriously about their lives as at present. Especially to the young people, the question on life and death must have ceased to be a play upon an abstract ideology. An idea of how young people today view their lives was obtained from the essays written by students on the subject of "Our Lives" at the entrance examination of our college.

As far as I saw, none regarded his life as his own, as something with which he could do anything he pleased. On the contrary, all averred that their lives belonged to a Great Being and were, therefore, precious. Weariness with life, such as was more or less seen in former days, totally disappeared. Nor was a sigh, "I wish I had not been born that I might be spared all these cares," heard at all. And the Great Being, the students unanimously said, is embodied in the August Person of His Majesty the Emperor.

"The Japanese are the subjects of His Majesty the Emperor," said the writer of essay No. 1. "They are born to devote themselves to, and die for, the Sovereign. From the very moment of our birth, therefore, our lives belong to Him. That our lives belong to His Imperial Majesty is neither a theory nor an obligation. It is the Japanese spirit that has continued uninterruptedly from the ages of the gods. It is this spirit which animates the 100,000,000 people of Japan to serve the Throne. What other country can boast such a beautiful relationship between Sovereign and subject? Verily, herein lies the glory of our national polity. . . ."

Essay No. 2 runs in part: "My life is the gift of my parents, who inherited their lives from their parents. Going further and further back, my life is traceable to millenniums ago. It may be that I share the blood of the warriors that repulsed the Mongol invasion and even of the loyal people who served the Emperor Jimmu. All that is Japan's is crystalized in my life. . . . My life, because it is a heritage from the age of the Emperor Jimmu, nay from the ages of the gods, belongs to the Imperial Household."

Admires Heroic Deaths

" . . . . I admired the soldiers who died heroically on the battle fields," says the writer of essay No. 3. "I wondered why they could die gladly. Then I realized that my life was not my own: it belonged to His Majesty the Emperor. . . . . I am no longer pained to think that there is a limit to my life."

Essay No. 4: "From the remotest ages, our ancestors have been thinking of one thing—to dedicate their lives to the Tenno. They knew instinctively that their lives belonged to the Sovereign and they fulfilled their devotion to Him as best they could in their times. . . . . To apply one's life to one's calling, whatever it be, is, after all, loyalty. All men, be they soldiers, scientists, statesmen, workmen, navvies, exist by the Grace of His Majesty the Emperor who is the embodiment of the spirit of the universe. So my life springs from the Imperial Grace. When one realizes this truth, one's mind is cleansed of all impurities and sees only the Imperial Virtue. Accordingly, the War of Greater East Asia, while it is a punitive campaign against the rebels, is a heaven-sent trial through which we may make a self-reflection and go back to where we belong."

Needless to say, the dedication of life to the Tenno is a trait unique to the Japanese, unexampled in any other country. This point was not overlooked by the young students, to wit:

"The act of "Gyokusai"—fighting to death—may be incomprehensible to foreigners. To us Japanese whose outlook on life and death consists in the devotion of our lives to the Tenno, it is a matter of course . . . ," avers the writer of essay No. 5. (Editor's note: "Gyokusai" literally means jewels being dashed to pieces).

Essay No. 6: "To the Westerners, visible life may be the only life. The lives of the Japanese, however, exist forever in the invisible, through which runs one mind—the mind to sacrifice their lives for the Tenno as His loyal subjects. This mind tells of the infiniteness of the lives of the Japanese people."

As was only to be expected from all this, quotations from Western philosophers and writers were rare. Even Goethe and Bergson were not mentioned. Only, the writer of essay No. 5 quoted Gustav Stremberg, while another student, quoting the words of Hugo and a Western poet, had this to say: "By losing one's self in a nobler being, one finds a nobler self. Of this I see an example in the hero gods of Pearl Harbor." Some said that the philosophies of Kant and Schopenhauer were incapable of defining the outlook of the Japanese people on life. On the other hand, there were numerous quotations from Japanese poems and other literature, too numerous to cite.

Express Same Resolve

Because their lives belong to the Tenno, they must not be treated carelessly, the students emphasized. They all expressed a resolve to make the best use of their lives, some regretting the insufficiency of their effort to do so. "It is the height of disloyalty," declares the writer of essay No. 1, "to slight one's life and die without doing a service to the country. This we know, but are we really making the best use of our lives? All our efforts must be directed to that end." Quotes the writer of essay No. 2: "To make the best use of our lives for the country is the way for us to live. To be swayed by ego is to kill ourselves. Even if I may lose my physical being, still my life will remain the most precious thing because it belongs to the Throne."

Of a similar purport is essay No. 7: "Our school teacher once told us. 'Here is a knife. The blade is the only part that cuts, but a knife minus the other parts would simply not be a knife.' My life is a part of our god-sent country. It may not take the part of the blade of a knife, but it certainly forms some other part and is indispensable to the progress of Japan."

Essay No. 8: "There is a saying that one should leave his name behind, but it would be dangerous to interpret it too literally. Some leave their names as rebels. That, of course, won't do. To die is easy; to die for a purpose is not easy. We must be imbued with the spirit of our soldiers in the South, who are prepared to perish unknown under enemy tanks. Only those who have that spirit can fight to death and leave a lasting name behind. Our future is long. We must make the best use of our lives, caring not for fame, and do things with circumspection, ever ready to sacrifice ourselves in the Gyokusai spirit."

How did these students acquire their outlook on life? Of course, it is inborn in every Japanese, and it may be ascribable to their education from their childhood days. But many of them showed that they were aroused anew by the outbreak of the War of Greater East Asia and by the Imperial Rescript declaring war on America and Britain.

Indicative of the spirit of the times, there was a group of students who would devote themselves to science in service to the Throne. One of them wrote: "Science is my life. When I awoke to myself and sought a life work, I found that I could do no better than put myself, body and soul, into physics. My flesh will perish, but one essay, one research which I shall leave behind will be handed down to posterity as a corner-stone in the edifice of future science. And in this way my life will live without end."

What struck me as I went over these essays was that these students, one and all, were replete with a supreme sense of loyalty to the Throne and a spirited resolve to live positively. None showed a negative attitude toward life.

AT THE CELL OF AN ABSENT MOUNTAIN PRIEST

By LI PO

(Translated by S. Obata)

By a stony wall I enter the Red Valley.
The pine-tree gate is choked up with green moss;
There are bird-marks on the deserted steps,
But none to open the door of the priest's cell.
I peer through the window and see his white brash
Hung on the wall and covered with dust..
Disappointed, I sigh in vain;
I would go, but loiter wistfully about.
Sweet scented clouds are wafted along the mountainside,
And a rain of flowers falls from the sky.
Here I may taste the bliss of solitude
And listen to the plaint of blue monkeys.
Ah, what tranquillity reigns over this ground!
What isolation from all things of the world.

ON ASCENDING THE SIN-PING TOWER

By LI PO

(Translated by S. Obata)

An exile, I ascend this tower,
Thinking of home, and with the anguish of the waning year.
The sun has set far beyond heaven's immensity;
The unsullied waters flow on in bleak undulation.
I see a stray cloud of Chin above the mountain trees.
And the wild geese of Tartar flying over the rive dunes.
Alas! for ten thousand miles under the dark blue sky
As far as my eyes can reach, there is but one vast gloom for me.

CONTROLLED FINANCE SET FOR EAST ASIA

Japan Extends Large Loans to Help Other Nations

(By A SPECIAL CORRESPONDENT)

Part II

The Japanese Government on May 1, 1942, put into effect the revised laws of the Bank of Japan. This was of course a move toward the establishment of the Greater East Asia financial sphere. The 24th and 25th articles of the new banking laws stipulated (1) investments and loans for the financial organs of foreign countries and (2) settlement of exchange transactions with the financial organs of foreign countries. These stipulations were immediately put into practice, and first of all, on April 22, 1942, an agreement was reached between Japan and Thailand to place their currencies on parity. Subsequently, on June 28 Japan loaned ¥200,000,000 to Thailand as a reserve fund for the establishment of Thailand's Central Bank. Consequently, when the Thailand Central Bank opened for business on December 10, 1942, ¥200,000,000 were transferred to the Central Bank, and with this sum for its reserve capital, the bank is issuing new banknotes at present.

Then again in the same year, on identical grounds, Japan gave ¥100,000,000 credit to the Central Reserve Bank of Thailand.

On March 10, 1943, Japan loaned ¥200,000,000 to the Central Reserve Bank of China in North China, and on May 8, Japan extended a credit of ¥100,000,000 to the Bank of Mengchiang. In the middle of October of the same year, an agreement was signed between the Bank of Mengchiang and the Yokohama Specie Bank to carry on settlement of funds between Mengchiang and Central China. Furthermore, this year an agreement was signed between the Central Bank of Thailand and the Yokohama Specie Bank to extend a concentrated exchange of funds to the Southern Regions.

On the other hand, on January 20, last year, the "Official Document in Connection with the Form of Settlement Between Japan and French Indo-China" was exchanged between the two countries by which the accounts between Japan and French Indo-China were settled on an equal ratio. Meanwhile, with the Southern Regions Development Bank forming the nucleus, military scrip is being smoothly circulated in Malai, Sumatra, Java and in other territories.

Being Consolidated

Thus, the Greater East Asia financial structure is being consolidated and established. With the yen for its basis, the new currency is being of insecurity. Charged with the mission of restoring natural resources, developing and expanding production power throughout the Southern Regions, the new currency is being lively circulated.

Moreover, the development of resources should be arranged and distributed in accordance with the Greater East Asia territorial plans, and it should not be planned for production based on the conception of international specialization as heretofore.

Of course, if some regions within the Greater East Asia Common-prosperity Sphere devote themselves to heavy industries and other regions engage in agricultural products, the highest efficiency in goods production might be reached. However, the livelihood in Greater East Asia is to insure a general structure of self-sufficiency and self-maintenance throughout the entire region, and besides it is essential for the various regions individually to maintain their structure of self-sufficiency and self-maintenance prescribed in the ideology of the common prosperity sphere.

The financial structure of Greater East Asia should not be made to operate merely on the basis of the local financial organs, but it should also take into full consideration the state of economic development in the various regions. The simple production system which was seen before must be converted and guided toward a varied production system by carrying out an efficient distribution of funds.

(End)

SONGS FROM PRISON

By MAHATMA GANDHI

Make me thy slave, my God:

Thy garden-keeper will I be,
And every day will feast mine eyes upon thy presence:

As through thy leafy glades I wander,

Of thee, of thee alone, shall be my son:

All my reward shall be in this,
My daily vision of thy presence:

The thought of thee,
And deep devotion to thy name,
These, these alone shall be my wealth:

But these shall be enough:

Windows will I have within my dwelling-place
Whence I may look on thee:

Secret shall be thy coming,
But patiently thy slave will wait